

IT IS ORDERED

Date Entered on Docket: August 28, 2024



The Honorable Robert H Jacobvitz
United States Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW MEXICO

In re:

ADDMI, INC.,
a Delaware Corporation,

Debtor.

Case No. 24-10776-j11

ORDER APPROVING DEBTOR'S APPLICATION TO EMPLOY COUNSEL

This matter came before the Court, pursuant to 11 U.S.C. §327 and Bankruptcy Rule 2014, upon the Debtor's Application to Employ Counsel (the "Motion"), filed on July 29, 2024 (Docket No. 5).

The Court, having reviewed the record and considered the Motion, and being sufficiently advised, FINDS:

(a) On July 29, 2024, the Debtor filed its voluntary petition under chapter 11 of the Bankruptcy Code;

(b) On the same date, Movant filed the Motion, seeking approval, effective as of such filing date, of the employment of Gatton & Associates, P.C. ("Professional") as counsel for Movant in this bankruptcy case;

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(c) Attached to the Motion, Professional filed disclosures pursuant to Bankruptcy Rules 2014 and 2016;

(d) On July 29, 2024, Movant served notice of the Motion by first class mail, postage paid, on all creditors and other parties in interest shown on the mailing list maintained by the Clerk of the Bankruptcy Court for this case, specifying an objection deadline of 21 days from the date of service, to which three days was added under Bankruptcy Rule 9006(f);

(e) Notice given of the Motion was sufficient in form and content;

(f) The objection deadline expired on August 22, 2024;

(g) No objections to the Motion were filed, timely or otherwise; and

(h) The Motion is well taken and should be granted as provided herein.

IT IS, THEREFORE ORDERED:

1. Movant's employment of Professional, pursuant to Bankruptcy Code §327, to render services as provided in the engagement letter attached to Docket No. 5, hereby is approved effective as of the date the Motion was filed.

2. Movant is authorized to pay Professional on a monthly basis, upon receipt of Professional's billing statements and prior to the Court's approval of the Professional's compensation "Interim Payments"), 75% of billed fees, 100% of reimbursable costs, and 100% of applicable gross receipts tax on paid fees and costs provided, however, that the Debtor will make Interim Payments to Court approved professional persons retained by the Debtor and any official committee on a pro rata basis. Such payments are to be made first, from a pre-petition retainer in held in Professional's trust account, and when the retainer is fully expended, thereafter from funds of the estate. The Movant may make Interim

Payments to Professional based on services charged at the hourly rates set forth in the Motion. Payment of fees, costs and gross receipts taxes, whether or not approved by interim Court order, may be subject to disgorgement if the estate is ultimately found to be administratively insolvent, or if the compensation paid exceeds the amount allowed on a final basis.

3. All fees, costs and gross receipts taxes charged or paid on a monthly basis or otherwise, including the reasonableness of rates charged, are subject to ultimate approval of the Bankruptcy Court under Bankruptcy Code §§ 328, 330 and 331.

4. Attorney must file fee applications so the period for which approval of compensation is sought (the “Application Period”) does not exceed six months. Each fee application must be filed and the related notice served on creditors and other parties in interest within 28 days after end of the Application Period. Failure to file a fee application and serve the related notice within the required time will result in automatic suspension of Debtor’s authority to make Interim Payments to Attorney prior to the Court ruling on the late filed fee application.” Fee applications must contain a detailed statement showing services performed by Attorney, compensation received, and any compensation previously approved.

END OF ORDER

Submitted by:

GATTON & ASSOCIATES, P.C.

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